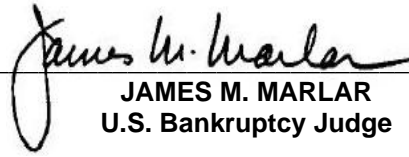


SIGNED.



Dated: July 17, 2009

  
JAMES M. MARLAR  
U.S. Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF ARIZONA

In re: ) Chapter 11  
FIRST MAGNUS FINANCIAL )  
CORPORATION, ) No. 4:07-bk-01578-JMM  
 )  
 ) **MEMORANDUM DECISION RE:**  
 ) **CLAIM NO. 4993 (ARVIND SHARMA)**  
Debtor. )

On July 14, 2009, this court heard argument on the objection (DN 5536) to the claim of Arvind Sharma, claim no. 4993 for \$76,079.01. During the hearing, the parties agreed on some parts of the claim, but disagreed as to whether Mr. Sharma was entitled to vacation pay and a severance package. Both of those components, especially the severance, constituted the bulk of the claim.

Based upon the record before the court, the court finds and concludes that the severance contract offer was rejected by Mr. Sharma, pre-petition. Therefore, he may not now change his mind and claim it. That portion of his claim will be disallowed as a claim against the estate, be it priority or unsecured.

As for the claim for accrued and unpaid vacation pay, the court finds the evidence presented to be inadequate to the level of proof required. Therefore, that portion of the claim is also disallowed as either a priority or unsecured claim.

1 Counsel for First Magnus shall present a form of order to the court, which shall  
2 formalize these issues, as well as describe what claims are approved (such as flexible spending and  
3 auto reimbursements).

4 Once the order is entered, any party aggrieved thereby shall have ten days within  
5 which to appeal. FED. R. BANKR. P. 8002. Thereafter, that order shall be final.

6  
7 DATED AND SIGNED ABOVE.

8  
9 COPIES to be sent by the Bankruptcy Notification  
10 Center ("BNC") to the following:

11 Craig S. Ganz, Attorneys for Liquidating Trustee

12 Arvind Sharma  
13 c/o Feulner Dorris PLC  
14 2 E. Congress St., Suite 1000  
15 Tucson, AZ 85701

16 Office of the U.S. Trustee

17 Michael D. Warner, Attorneys for Official Committee of Unsecured Creditors

18 Séan P. O'Brien, Attorneys for Official Committee of Unsecured Creditors  
19  
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